



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Boyd Rhodes
OGM	Pete Hess Environmental Scientist III
Company	Dan Guy

Inspection Report

Permit Number:	C0070022
Inspection Type:	COMPLETE
Inspection Date:	Thursday, December 13, 2007
Start Date/Time:	12/13/2007 9:00:00 AM
End Date/Time:	12/13/2007 2:20:00 PM
Last Inspection:	Wednesday, November 21, 2007

Inspector: Pete Hess, Environmental Scientist III

Weather: Overcast, 23 degrees F.

InspectionID Report Number: 1498

Accepted by: dhaddock *OK*

12/21/2007

Permitee: **SAVAGE SERVICES CORP**

Operator: **SAVAGE SERVICES CORP**

Site: **SAVAGE COAL TERMINAL**

Address: **6340 S 3000 E STE 600, SALT LAKE CITY UT 84121**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

160.00	Total Permitted
122.28	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☐ Fee
☒ Other

Types of Operations

- ☒ Underground
☒ Surface
☒ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Blackhawk Engineering Company has submitted a renewal application for the UPDES permit for the Savage Coal Terminal disturbed area to the Utah Division of Water Quality. Expiration of the current permit occurs on April 30, 2008. Blackhawk Engineering Company notified the Division on this day that the third quarter of 2007 surface and ground water monitoring information for the Coal Terminal permit area was in the Division electronic data base pipeline, ready for uploading to the permanent data base. Thus, the Permittee continues to meet the Special Condition included as Attachment "A" of the current State permit. There are no other Special Conditions attached to the current State permit, which remains in effect until August 7, 2009. Much of the site is snow covered.

Inspector's Signature: _____

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date Friday, December 14, 2007

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current UPDES permit will expire on April 30, 2008. As is noted above, the Permittee, through Blackhawk Engineering Company, has applied for a renewal for this discharge permit through the Utah Division of Water Quality.

4.a Hydrologic Balance: Diversions

Snow covers much of the site. The diversions which were visible appeared capable of functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Mr. Guy conducted the third quarter impoundment inspections for ponds 1,2,3, 5 and 6 on August 23, 2007. All ponds were observed as stable, and were noted as containing adequate sediment storage volumes prior to reaching the 60% cleanout elevation. The third quarter inspection reports (R645-301-514.320) are also the reports which will be used as the annual impoundment inspection / certification / notification requirement under R645-301-514.311. As observed this day, ponds 5 and 6 had frozen surfaces, and appeared near capacity. Ponds 1, 2 and 3 had snow covered inslopes with frozen melt water in their lower elevations.

4.c Hydrologic Balance: Other Sediment Control Measures

Other measures to control sediment inside the disturbed area were generally snow covered.

4.d Hydrologic Balance: Water Monitoring

A review of the surface and ground water monitoring information for the third quarter of 2007 had water data for ground water monitoring well S-2-GW, which is the new well south of Pond #5. All other monitoring points were reported as "not required during third quarter". "no flow", or "dry". This data is ready for uploading into the permanent data base. A review of the laboratory analytical sheet for the S-2-GW sample reported a cation / anion balance balance of negative 3.23 %. This is within the acceptable range for the accuracy of the data. CV-15-W (UPDES outfall 001, Pond 6 discharge point to the permit / disturbed area boundary thence to the Price River) was not flowing this day. This outfall did not flow during July, August or September of 2007.

4.e Hydrologic Balance: Effluent Limitations

Please refer to the comment in Section 1. The Permittee has not had any effluent parameter exceedances.

5. Explosives

Explosives have not been used at this site; the general liability insurance provides for damage incurred from the use of explosives.

7. Coal Mine Waste, Refuse Piles, Impoundments

Mr Guy conducted the third quarter of 2007 waste rock pile inspection for the Coal Terminal waste rock site on August 23, 2007. The top and side slopes of the facility were noted as being under construction during the 8/23 inspection. Drainage ditches were being re-worked as part of the regrading of the outslopes. Outslopes are generally snow covered. There were no compliance issues noted.

16.a Roads: Construction, Maintenance, Surfacing

The Permittee has bladed snow from the roads where access is necessary for utility usage, (i.e., the pump house in the NE corner of the permit area). Unsurfaced roads are fairly soft, but it does not appear that access for the trucks has been a problem.

16.b Roads: Drainage Controls

The diversions which drain the haul roads are functioning. Soil moisture is high, and ditch maintenance will have to wait until drier conditions prevail.

20. Air Quality Permit

The ambient air temperature was below freezing; the Permittee is not required to water roadways for the control of fugitive dust.

21. Bonding and Insurance

The current general liability insurance remains in effect until April 1, 2008. Coverage amounts for the general aggregate and each occurrence categories for bodily injury and property damage exceed the minimum requirements stipulated under R645-301-890.100.